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FORM 8-73 **26** USE PREVIOUS EDITIONS.

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CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

26 JUL 1982

Ms. Susan Shekmar  
Committee on Appropriations  
Subcommittee on Defense, Staff  
United States Senate  
Washington, D. C. 20510

Dear Susan,

This responds to your request for additional information on the balance of our 1982 program supplemental request. Descriptions of each of the items and impact statements are included in Maury Lipton's letter to you of 23 June. In that letter he indicated our ability to obligate fully the remaining [redacted] identified for projects in the balance of the request. With the exception of a part of the funds requested for the [redacted] million of the requested [redacted] we would expect to be able to obligate all of these funds, even if provided after 1 September.

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You also asked about the relative priorities of the activities included in the request. I would like to emphasize again that we continue to consider all of the requested supplemental funds to be of highest priority and responsive to important national priorities. Nonetheless, I have been able to obtain some sense of our priorities from the Deputy Director for Operations, the primary user of these funds. Aside from the reserve payback, addressed below, he would prioritize the remaining supplemental items as follows:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.

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With regard to the Reserve payback, I believe you are aware of the concern we have had in recent years regarding the adequacy of the Reserve. For the third year in a row, we appear to be heading in the direction of depletion of the available balance, restricting severely our ability to respond promptly to world events. The requirement to fund, with Congressional concurrence, the [ ] million of items contained in the supplemental, has severely strained the 1982 balance of the Reserve. As of 26 July, only [ ] remains of the [ ] [ ] we have available in the Reserve. Known requirements against the Reserve currently total approximately [ ] leaving virtually no flexibility to deal with the new requirements. This means that without the [ ] million payback we will be unable to be responsive to new demands which are likely to be placed on the Reserve, particularly if the Middle East situation continues to deteriorate or if some new crisis emerges.

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If there is anything else that I can do to help you in your review of this request, please let me know.

Sincerely,



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Daniel A. Childs, Jr.  
Comptroller

Enclosure

Summary of CIA Reserve for Contingencies  
(a/o 23 July 1982)

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26 July 1982



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